

UTILITIES SERVICE BOARD MEETING
October 30, 2006

UTILITIES SERVICE BOARD MEETINGS ARE RECORDED ELECTRONICALLY OR STENOGRAPHICALLY AND ARE AVAILABLE DURING REGULAR BUSINESS HOURS IN THE OFFICE OF THE DIRECTOR OF UTILITIES.

Board Vice President Henke called the regular meeting of the Utilities Service Board to order at 5:03 p.m. The meeting was held in Conference Room 100B at the Indiana University Research Park at 501 North Morton Street in Bloomington, Indiana.

Board members present: Susan Sandberg, Jeff Ehman, Tim Henke, John Whitehart and Julie Roberts. Staff members present: Patrick Murphy, John Langley, Michael Horstman, Mike Trexler, Mike Bengtson, Mike Hicks, Jane Fleig, Tom Staley, Adam Wason and Rick Routon. Others present: Sarah Morin representing the Herald Times and Lisa Gomperts representing Schmidt Associates.

MINUTES

BOARD MEMBER EHMAN MOVED AND BOARD MEMBER ROBERTS SECONDED THE MOTION TO APPROVE THE MINUTES OF THE OCTOBER 16, 2006 MEETING. MOTION CARRIED. 5 AYES. 2 MEMBERS ABSENT. (VAUGHT AND SWAFFORD).

CLAIMS

BOARDMEMBER EHMAN MOVED AND BOARDMEMBER SANDBERG SECONDED THE MOTION TO APPROVE THE CLAIMS AS FOLLOWS:

CLAIMS 0691546 THROUGH 0691611 INCLUDING \$104,758.45 FROM THE WATER OPERATIONS & MAINTENANCE FUND AND \$37,846.85 FROM THE WATER CONSTRUCTION FUND FOR A TOTAL OF \$142,605.30 FROM THE WATER UTILITY; CLAIMS 0631005 THROUGH 0631047 INCLUDING \$139,952.55 FROM THE WASTEWATER OPERATIONS & MAINTENANCE FUND AND \$8,018.16 FROM THE WASTEWATER CONSTRUCTION FUND FOR A TOTAL OF \$147,970.71 FROM THE WASTEWATER UTILITY; AND CLAIM 0670072 THROUGH CLAIM 0670075 FOR A TOTAL OF \$3,409.30 FROM THE WASTEWATER/ STORMWATER UTILITY. TOTAL CLAIMS APPROVED – \$293,985.31.

Board member Ehman asked why the Cingular bills were higher than usual. Superintendent of Operations Staley explained that the staff who are still located at Henderson St. all had to use cell phones during the time they were moving from one set of pac vans to another because it took awhile to get the regular phone service switched over.

Board member Ehman asked about a Baker and Daniels claim for outside legal services. He had been under the impression that there would be no more claims from them for the Phillips case.

Utilities Director Murphy said that there is ongoing work on this case. When a judgment is handed down the USB will be briefed on it in an executive session.

Board member Henke pointed out that there are several other unresolved issues from the last executive session. He asked that an executive session be scheduled.

Board member Vaught arrived at this time.

Mr. Henke asked about the claim for Henry P. Thompson for the repair of the Blucher Poole ultra violet light disinfection system. Utilities Deputy Director Langley said that there have been a series of failures of the UV disinfection system due to electrical surges. One final repair will be made in another month to restore the system to normal. There are also electrical upgrades being made at Blucher Poole which should prevent future problems of this kind. Mr. Henke asked if there have been previous problems that may have been caused by the REMC who is the electricity provider. Mr. Langley replied that so far it hasn't been possible to adequately document their responsibility.

Mr. Henke also asked about the claim for A Royal Flush for removing foam from the final basin. According to Mr. Langley the plant was "upset" by an operations decision that was necessary but unfortunate. CBUD received notice that the intersection at Dillman Road was to be closed for a weekend. That cut off access for septage haulers to dump their loads at Dillman Road. On Saturday Blucher Poole was opened for the haulers. Septage is stronger and makes the plant work much harder. It also reacts differently with the ecosystems at the plant. Mr. Langley believes that this is the cause of the foam problem. Septic Haulers were called in to remove the foam and take it to Dillman Road for treatment.

Mr. Henke then asked about a claim for the south booster pump at Monroe Water Treatment Plant. Superintendent of Operations Staley responded that the south booster is the main booster that delivers water to the south and south east tanks. It has five 200 horse power pumps. Two of them went down. These are very large pumps that can only be removed by taking out ceiling panels and using a winch which makes it expensive. An auxiliary pump was also bought to have on hand for any future problems.

MOTION CARRIED. 6 AYES, 1 MEMBER ABSENT, (SWAFFORD).

APPROVAL OF THE AWARD RESOLUTION FOR PURCHASE OF FURNITURE, FIXTURES AND EQUIPMENT FOR THE REPLACEMENT OFFICE BUILDING (CONTRACT 2):

Capital Projects Coordinator Hicks explained that this is one of three contracts for the replacement of the burned office building at Henderson Street. This is Contract 2 for furniture fixtures and equipment. This contract is broken into two parts, A and B. Contract 2A is for systems furniture which are two inch thick panels that are fixed to make up the cubicles.

There were five bids. The lowest and most responsive bidder was Indianapolis Office Interiors for \$106,015.

Contract 2B is for loose furniture such as tables and chairs and other miscellaneous pieces. Indianapolis Office Interiors was once again the low and responsive bidder on this. The two contracts together come to \$270,522.

Mr. Hicks said that he and Utilities Director Murphy had traveled to Indianapolis to meet with the CEO of the company and the sales person who will represent the account. They found the furnishings to be nice, moderate and durable products. The brand is Hayworth which is a brand that Board President Swafford has found to have a quality product.

Utilities Director Murphy pointed out that the bid had come in about 40 thousand dollars under the budgeted amount.

In response to a question from Board member Vaught, Lisa Gompert of Schmidt and Associates explained that Indianapolis Office Interiors had included an alternate for a number of new filing cabinets in their base bid. Because it is an alternate that may not be used there is a deduction of \$14,000 from the bid.

Board member Roberts asked if the quality was acceptable. Mr. Hicks said that the manufacturer would stand behind their products.

BOARD MEMBER VAUGHT MOVED AND BOARD MEMBER EHMAN SECONDED THE MOTION TO APPROVE THE AWARD RESOLUTION FOR PURCHASE OF FURNITURE, FIXTURES AND EQUIPMENT FOR THE REPLACEMENT OFFICE BUILDING (CONTRACT 2). MOTION CARRIED. 6 AYES. 1 MEMBER ABSENT. (SWAFFORD)

AMENDMENT TO THE SCHMIDT ASSOCIATES AGREEMENT FOR ARCHITECT SERVICES FOR THE REPLACEMENT OFFICE BUILDING – DESIGN OF STRUCTURED CABLING:

Capital Projects Coordinator Hicks explained that structured cabling refers to the bundles of cables that may be seen above ceilings that provide for voice, data, video and energy control systems. This is not usually a part of a general contract. It is included in the \$300,000 in funding that was approved for miscellaneous costs. Because it may cost more than \$150,000 it will have to be bid out. Bidding is a very large effort so it is usually handled by consultants. In this case it made sense to use Schmidt Associates since they are the Architectural and Engineering firm for the new building.

Board member Ehman asked if the structured cabling includes cables for the SCADA systems. Mr. Hicks said that in some sense that is being included under the general contract. A very smart heating and cooling system will be installed that is similar to SCADA. It will be possible to view the SCADA from the plants on the computers at the administration building.

Board member Henke asked if this is likely to slow down the schedule. Mr. Hicks replied that it would not.

BOARD MEMBER ROBERTS MOVED AND BOARD MEMBER EHMAN SECONDED THE MOTION TO APPROVE THE AMENDMENT TO THE SCHMIDT ASSOCIATES AGREEMENT FOR ARCHITECT SERVICES FOR THE REPLACEMENT OFFICE BUILDING – DESIGN OF STRUCTURED CABLING. MOTION CARRIED. 6 AYES. 1 MEMBER ABSENT. (SWAFFORD)

APPROVAL OF ENGINEERING SERVICES CONTRACT WITH BLACK & VEATCH FOR LONG RANGE WATER SUPPLY EVALUATION STUDY:

Assistant Director of Engineering Bengtson said that it is time to start gathering information for a long range water plan. The last report contained information on water demands up to 2002. The contract would include two workshops to collect public opinion about long range water planning. At times there are inquiries about what capacity exists to provide water. Recently a business was considering Bloomington that would have needed 1 million gallons per day. They have since moved on to consider other communities. This study will also increase the ability to answer questions of this sort. It will get things back on track for looking at the future water needs of the community.

Utilities Director Murphy pointed out that the study will also look at the water supply yields during drought conditions, the quality of the water source and the long term viability of Lake Monroe as a water source. These are the kinds of things that people often ask about.

Mr. Bengtson said that there will be a final report that will be delivered to the USB within 90 to 100 days for their review.

Board member Roberts asked if the report would include a time line for installing a second water main from Lake Monroe to Bloomington. Mr. Bengtson replied that the report would contain information that will help determine what size that main should be. Board member Henke said that this study will help the USB to understand how urgent the need for a second water main is.

Board member Ehman asked Mr. Ginn of Black & Veatch what the scope of the project will be. He asked if a preliminary draft could be brought to the USB part way through the project so they could see if there is anything else that should be included in the study.

Mr. Ginn said that this study will be a review and evaluation of the study that was done by Black & Veatch in 2003. They will examine population projections and then re-establish water demands. He said he didn't believe that the water demands would change significantly. It is possible that this study will show that the need for additional capacity may be extended into the future. The study will include looking at the water supply that Lake Monroe can yield. They will also be evaluating the water treatment ability of the Monroe Plant. He said that they would be happy to provide a draft before they finalize the report.

Board member Vaught said that the last time a study like this was done it led to major improvements in the capacity for water treatment at the Monroe Plant. Those improvements were projected to satisfy the community's water needs through 2010.

Mr. Ginn said that the previous study projected water use through 2030.

Mr. Vaught asked if this study would push it past that date.

Mr. Ginn said that they will be looking even longer term. They would like to extrapolate out to a 2060 time frame. That will allow the need for a new contract for water with IDNR to be evaluated.

Mr. Vaught pointed out that the previous study did not account for North Park which became an issue for waste water treatment and he suspects that it may also have an impact on water treatment. He would like to see those types of developments worked into the plan also. He would like Utilities to be prepared if an industry that uses large quantities of water shows interest in locating in Monroe County.

Board member Henke said that he believes that this is a very important task. He said that ultimately this report will lead to lots of money being spent. It will answer the question of whether it needs to get spent sooner or later. Because of that he asked that the workshops be open to the public.

Mr. Ginn said that more workshops could be incorporated that would be for public presentations.

Board member Roberts asked if Black & Veatch would be using any kind of computer modeling that would take climate change into account. Mr. Ginn replied that the study is based on historical demands based on population, industrial, commercial and IU users. He said that they would be happy to plan a presentation for the USB that would describe how they arrive at those numbers but they do not do any kind of computer modeling that would be relevant to climate changes. They do take into consideration the drought conditions that have occurred in the last fifty plus years.

Board member Ehman agreed with Ms. Roberts that climate change would be an important consideration. He said that he realized that it is difficult to come up with regional predictions of

changes in climate but since greater variability in extremes are predicted that should be taken into account. He suggested that if a high drought case could be considered it would be useful.

Mr. Ginn mentioned that a severe drought that took place in the 1930's is a part of the long range report.

Board member Henke asked what kind of firms are heavy water users. Assistant Director of Engineering Bengtson said that bio medical industry is a very heavy water user. There was once a vegetable washing industry that expressed interest that would have used large amounts of water. Mr. Henke also pointed out that for awhile Mr. Bengtson had been giving the USB water usage reports but had not given a report for the week when the students moved in. Mr. Henke asked to have that information supplied to the board. Mr. Bengtson said that usage does seem to be rising. It used to typically be in the area of 12 mgd but now it seems to mostly run closer to 14 mgd.

Board member Roberts pointed out that it would be best if public workshops were scheduled for the evening so as many people as possible could attend.

BOARD MEMBER EHMAN MOVED AND BOARD MEMBER SANDBERG SECONDED THE MOTION FOR APPROVAL OF THE ENGINEERING SERVICES CONTRACT WITH BLACK & VEATCH FOR A LONG RANGE WATER SUPPLY EVALUATION STUDY. MOTION CARRIED. 6 AYES. 1 MEMBER ABSENT (SWAFFORD)

OLD BUSINESS:

No old business was presented.

NEW BUSINESS:

No new business was presented.

SUBCOMMITTEE REPORTS:

There were no subcommittee meetings.

STAFF REPORTS:

Deputy Director Langley reported that the Illinois Central Groundwater Treatment Plant is being operated cooperatively with the US EPA, the State of Indiana and CBS Corporation to treat water that seeps from underneath the Lemon Lane Landfill. That water is contaminated with PCBs. That contract expires on the upcoming Wednesday, November 1st. In two weeks he will be coming back to the board with an extension to the contract. There will be about \$12,000 to \$15,000 left over from the previous second extension of the contract that will be applied to the new extension. The extension being asked for will run through January of 2007. A new extension is necessary because CBS and the EPA have been unable to reach an agreement on long term water treatment issues at Neal's Landfill. CBS has been unwilling to close on an agreement until all of the issues are on the table. Because of this the EPA has agreed to not issue a Record of Decision until the end of November or possibly as long as December 15th. After that there will be a 60 day public comment time which would make it impossible to close on an agreement to assign permanent operation of the plant to one of the parties before the end of January. He expects this continuation to run about \$12,000 to \$15,000. It is still believed that it is in the best interests of the city to continue operating that plant.

Mr. Langley also reported that plans are beginning to be made for the joint long range study of the Griffy Plant, grounds and Griffy Lake. He will be asking for some input from the USB on what they would like to see included in this study.

Board member Henke asked about what sort of feed back is needed from the board about the joint Griffy study. Mr. Langley said that they would like to know what the USB sees as being the future of the Griffy building.

Utilities Director Murphy said that the options range from tearing the building down to finding some other use for it. Mr. Langley said they need feed back on whether they should get a consultant who specializes in lakes and parks and that sort of thing or would it be better to go to a qualified engineering firm. Mr. Murphy suggested that the USB be allowed to tour the building so they will have a better idea of what the situation is.

Board member Ehman asked that the USB be given the main objectives of the study as it relates to the Utilities.

Special Project Coordinator Hicks explained a monthly document that Schmidt Associates will be preparing to update the USB on the progress of the replacement Administration Building. He introduced Lisa Gomperts of Schmidt Associates who said that in the last thirty days permits have been acquired, demolition has taken place and a start has been made on the footings. Over the next thirty days the demolition should be completed, the footings and the underground mechanical rough in will be finished. Ms. Gomperts said that contracts 1 and 3 are about 16% complete. They are just beginning the submittal process for the shop drawings on contract one.

Mr. Hicks said that a monthly report on the progress of this project will be prepared.

PETITIONS AND COMMUNICATIONS:

There were no petitions or communications.

ADJOURNMENT:

The meeting was adjourned at 6:11 p.m.

L. Thomas Swafford, President